

**CASE
NUMBER:**

99-137

HISTORY INDEX FOR CASE: 1999-137
AMERICAN ELECTRIC POWER
Investigation - Service
CYFERS INJURY

In the Matter of American Electric Power Alleged Failure
to Comply with Administrative Regulation 807 KAR 5:041,
Section 3(1).

SEQ NBR	ENTRY DATE	REMARKS
0001	04/21/1999	Show Cause Order; AEP's response to allegations due 5/11/99.
M0001	05/10/1999	W. BRIAN BURNETTE KENTUCKY POWER-RESPONSE TO 4/21/99 ORDER
0002	09/27/2001	Order scheduling hearing on 11/9/01; AEP shall advise by 10/17 if wish stand sub
M0002	10/12/2001	BRUCE CLARK/AEP-MOTION FOR CONTINUANCE AND ADJUSTMENT TO SCHEDULE
0003	10/19/2001	Order rescheduling hearing for 11/30/01 & scheduling an IC for 11/9/01.
0004	11/20/2001	Order continued hearing, AEP & PSC Staff have entered into negotiations.
0005	11/28/2001	IC Memorandum; comments, if any, due 12/6/2001.
M0003	12/14/2001	PEGGY APPENFELDER/KENTUCKY POWER-SETTLEMENT AGREEMENT
0006	12/19/2001	Final Order approving and adopting the Settlement Agreement.
M0004	01/03/2002	ERROL WAGNER-PENALTY CHECK FOR \$5,250.00
0007	01/04/2002	Receipt of Payment

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

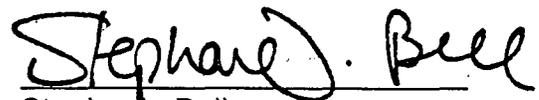
AMERICAN ELECTRIC POWER)
_____)

ALLEGED FAILURE TO COMPLY WITH)
ADMINISTRATIVE REGULATION 807 KAR 5:041,)
SECTION 3(1))

) CASE NO. 1999-137

RECEIPT OF PAYMENT

This is to acknowledge receipt of one check in the amount of \$5,250.00 payable to Treasurer Commonwealth of Kentucky from American Electric Power. This represents full payment of the penalty assessed against them in the above-styled action.



Stephanie Bell
Secretary of the Commission
Dated 1/4/02

hv

American Electric Pow
101A Enterprise Drive
PO Box 5190
Frankfort, KY 40602-5190
www.aep.com



AMERICAN
ELECTRIC
POWER



December 29, 2001

James R. Goff
Kentucky Public Service Commission
P.O. Box 615
Frankfort, KY 40602

Mr. Goff:

In accordance with Order dated December 20, 2001, please find enclosed certified check in the amount of \$5,250.00 for the settlement of Case No. 1999-137.

Sincerely,

A handwritten signature in cursive script that reads 'Errol K. Wagner'.

Errol K. Wagner
Director Regulatory Affairs

cc: Bruce F. Clark, Stites & Harbison

Enclosure

RECEIVED
JAN 03 2001
PUBLIC SERVICE
COMMISSION



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
211 SOWER BOULEVARD
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

CERTIFICATE OF SERVICE

RE: Case No. 1999-137
AMERICAN ELECTRIC POWER

I, Stephanie Bell, Secretary of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the following by U.S. Mail on December 19, 2001.

Parties of Record:

Errol K. Wagner
Director of Regulatory Affairs
American Electric Power
1701 Central Avenue
P. O. Box 1428
Ashland, KY. 41105 1428

Honorable Bruce Clark
Counsel for KY Power dba American
Electric Power
Stites & Harbison
421 West Main Street
P.O. Box 634
Frankfort, KY. 40602 0634

Stephanie D. Bell

Secretary of the Commission

SB/hv
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AMERICAN ELECTRIC POWER)
_____)

ALLEGED FAILURE TO COMPLY WITH)
ADMINISTRATIVE REGULATION 807 KAR 5:041,)
SECTION 3(1))

) CASE NO. 1999-137

O R D E R

Kentucky Power Company, d/b/a American Electric Power ("AEP") is an investor-owned electric utility that engages in the distribution of electricity to the public for compensation for lights, heat, power and other uses.

AEP is subject to the safety jurisdiction of the Commission, pursuant to KRS 278.010 and 278.040.

On April 21, 1999, the Commission entered an Order establishing this case and directing AEP to show cause why it should not be subject to the penalties of KRS 278.990 relating to a Utility Accident Investigation Report dated November 9, 1998.

AEP filed a Response on May 10, 1999 in which it responded to each allegation and requested an informal conference with Commission Staff. Since then, this case has been held in abeyance pending the court decision in Public Service Commission v. Jackson County Rural Electric Cooperative Corporation, Ky.App., 50 S.W.3d 764 (2000).

On September 27, 2001, an Order was issued scheduling this case for a formal hearing with a provision for an informal conference with Commission Staff. On November 9, 2001, an informal conference was held pursuant to the request of AEP. During the informal conference, AEP and Commission Staff entered into negotiations to resolve all outstanding issues in this proceeding. A Settlement Agreement was executed, appended hereto, for Commission approval.

In reviewing this Settlement Agreement, the Commission has considered, *inter alia*, the circumstances surrounding the alleged violations by its independent contractor and the ongoing efforts of AEP to comply with the Commission's safety regulations.

The Commission finds that the Settlement Agreement is in accordance with the law, does not violate any regulatory principle, results in a reasonable resolution of this case, and is in the public interest.

IT IS THEREFORE ORDERED that:

1. No formal hearing shall be held in this case.
2. The Settlement Agreement, appended hereto, is incorporated into this Order as if fully set forth herein.
3. The terms and conditions set forth in the Settlement Agreement are adopted and approved.
4. Upon payment as set out in No. 2 of the Settlement Agreement, this case shall be removed from the Commission's docket.

Done at Frankfort, Kentucky, this 19th day of December, 2001.

By the Commission

ATTEST:

A handwritten signature in cursive script, appearing to read "Charles H. Deane", written over a horizontal line.

Executive Director

APPENDIX

AN APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 1999-137 DATED December 19, 2001.

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

KENTUCKY POWER COMPANY d/b/a AMERICAN ELECTRIC POWER

ALLEGED FAILURE TO COMPLY WITH ADMINISTRATIVE REGULATION 807 KAR 5:041, SECTION 3(1)

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)
)
)

CASE NO- 1999-137

SETTLEMENT AGREEMENT

THIS AGREEMENT is made and entered this 14th day of December, 2001, by and between the STAFF OF THE PUBLIC SERVICE COMMISSION OF KENTUCKY ("Commission Staff") and KENTUCKY POWER COMPANY d/b/a AMERICAN ELECTRIC POWER ("AEP"),

WITNESSETH:

WHEREAS, AEP is an investor owned electric utility which engages in the distribution of electricity to the public for compensation for light, heat, power and other uses; and,

WHEREAS, on April 21, 1999, the Public Service Commission entered an Order establishing this case and directing AEP to present evidence concerning the alleged violations of Administrative Regulation 807 KAR 5:041, Section 3 and to show cause why it should not be subject to the penalties of KRS 278.990 for the alleged NESC violations of its independent contractor relating to a Utility Accident Investigation Report dated November 9, 1998; and,

WHEREAS, on May 10, 1999, AEP, by counsel, filed its response to the Commission's Order referencing a pending court proceeding concerning the scope of the Commission's authority that would address the same issues herein;

WHEREAS, the courts of this Commonwealth having addressed this issue and ascertained the scope and nature of the Commission's authority in Public Service Commission v. Jackson County Rural Electric Cooperative Corporation, Ky. App., 50 S.W.3d 764 (2000);

WHEREAS, AEP and Commission Staff held an informal conference on November 9, 2001 in which all issues were discussed and AEP raised various defenses to subjecting it to the penalties of KRS 278.990 for the alleged NESC violations of its independent contractor; and

WHEREAS, AEP and Commission Staff desire to settle the issues raised by this proceeding and have entered into this Settlement Agreement through compromise to settle this proceeding,

NOW, THEREFORE, AEP and Commission Staff agree that:

1. The Utility Accident Investigation Report dated November 9, 1998 and the Commission Staff allegations contained in paragraphs 1-8 of the Commission's Order dated April 21, 1999 are factually correct.
2. Within 10 days after the entry of an Order approving this Settlement Agreement, AEP shall pay to the Commonwealth of Kentucky the sum of Five Thousand Two Hundred Fifty (\$5,250.00) Dollars. This payment shall be in the form of a cashier's or certified check made payable to "Treasurer, Commonwealth of Kentucky" and shall be mailed or delivered to: Office of General Counsel, Public Service Commission of Kentucky, 211 Sower Boulevard, Post Office Box 615, Frankfort, Kentucky 40602.
3. Nothing contained herein shall be construed as an admission of a willful violation of any federal or state statute or any provision of an administrative regulation; nor shall the Public Service Commission's acceptance of this agreement be construed as a finding of a willful violation of any statute or administrative regulation. This Settlement Agreement shall not be

used for any purpose in any subsequent legal or administrative proceeding (other than a proceeding by the Commission to enforce the terms of this Settlement Agreement), and AEP shall not be precluded or estopped from raising any issue, claim or defense therein by reason of the execution of this Settlement Agreement.

4. This Agreement is subject to the acceptance of and approval by the Public Service Commission. If this settlement is accepted by an Order of the Public Service Commission, the parties agree not to request rehearing or to file an appeal of that Order in the Franklin Circuit Court.

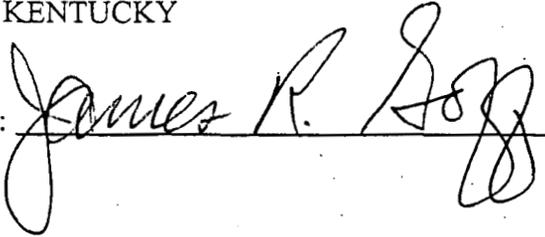
5. Commission Staff shall recommend to the Public Service Commission that this Settlement Agreement be accepted and approved.

6. If the Public Service Commission fails to accept and approve this Settlement Agreement in its entirety, this proceeding shall go forward and neither the terms of this Settlement Agreement nor any matters raised during settlement negotiations shall be binding on either signatory or be construed against either AEP or Commission Staff.

7. Upon approval of this Settlement Agreement by the Public Service Commission, AEP waives a formal hearing for all purposes and stipulates that an Order may be entered in this case incorporating this settlement.

IN WITNESS WHEREOF, AEP and Commission Staff have executed this Settlement Agreement the day and year first above written by and through their duly authorized representatives or attorneys.

STAFF OF PUBLIC SERVICE COMMISSION
OF KENTUCKY

BY:  _____

TITLE: Staff Attorney

KENTUCKY POWER COMPANY, dba
AMERICAN ELECTRIC POWER

BY: Errol H. Wagner

TITLE: asst. Secretary

STITES & HARBISON_{PLLC}

ATTORNEYS

December 12, 2001

James R. Goff
Staff Attorney
Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, KY 40602-0615

RE: Kentucky Power Company d/b/a American Electric Power
Case No. 1999-137

Dear Mr. Goff:

As we discussed, I am enclosing the Settlement Agreement in the above matter with the revisions agreed to by you and Kentucky Power. The Agreement has been executed by my client, AEP. Thank you very much for your cooperation in this matter. If you have any questions, please call.

Very truly yours,


Margaret (Peggy) Appenfelder

MRA:kee

Enclosure



RECEIVED

DEC 14 2001

PUBLIC SERVICE
COMMISSION

Margaret R. Appenfelder
(502) 681-0503
pappenfelder@stites.com

COMMONWEALTH OF KENTUCKY

RECEIVED

BEFORE THE PUBLIC SERVICE COMMISSION

DEC 14 2001

In the Matter of:

PUBLIC SERVICE
COMMISSION

KENTUCKY POWER COMPANY d/b/a
AMERICAN ELECTRIC POWER)

CASE NO- 1999-137

ALLEGED FAILURE TO COMPLY WITH)
ADMINISTRATIVE REGULATION 807 KAR 5:041,)
SECTION 3(1))

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THIS AGREEMENT is made and entered this 14th day of December, 2001, by and between the STAFF OF THE PUBLIC SERVICE COMMISSION OF KENTUCKY ("Commission Staff") and KENTUCKY POWER COMPANY d/b/a AMERICAN ELECTRIC POWER ("AEP"),

WITNESSETH:

WHEREAS, AEP is an investor owned electric utility which engages in the distribution of electricity to the public for compensation for light, heat, power and other uses; and,

WHEREAS, on April 21, 1999, the Public Service Commission entered an Order establishing this case and directing AEP to present evidence concerning the alleged violations of Administrative Regulation 807 KAR 5:041, Section 3 and to show cause why it should not be subject to the penalties of KRS 278.990 for the alleged NESC violations of its independent contractor relating to a Utility Accident Investigation Report dated November 9, 1998; and,

WHEREAS, on May 10, 1999, AEP, by counsel, filed its response to the Commission's Order referencing a pending court proceeding concerning the scope of the Commission's authority that would address the same issues herein;

WHEREAS, the courts of this Commonwealth having addressed this issue and ascertained the scope and nature of the Commission's authority in Public Service Commission v. Jackson County Rural Electric Cooperative Corporation, Ky. App., 50 S.W.3d 764 (2000);

WHEREAS, AEP and Commission Staff held an informal conference on November 9, 2001 in which all issues were discussed and AEP raised various defenses to subjecting it to the penalties of KRS 278.990 for the alleged NESC violations of its independent contractor; and

WHEREAS, AEP and Commission Staff desire to settle the issues raised by this proceeding and have entered into this Settlement Agreement through compromise to settle this proceeding,

NOW, THEREFORE, AEP and Commission Staff agree that:

1. The Utility Accident Investigation Report dated November 9, 1998 and the Commission Staff allegations contained in paragraphs 1-8 of the Commission's Order dated April 21, 1999 are factually correct.
2. Within 10 days after the entry of an Order approving this Settlement Agreement, AEP shall pay to the Commonwealth of Kentucky the sum of Five Thousand Two Hundred Fifty (\$5,250.00) Dollars. This payment shall be in the form of a cashier's or certified check made payable to "Treasurer, Commonwealth of Kentucky" and shall be mailed or delivered to: Office of General Counsel, Public Service Commission of Kentucky, 211 Sower Boulevard, Post Office Box 615, Frankfort, Kentucky 40602.
3. Nothing contained herein shall be construed as an admission of a willful violation of any federal or state statute or any provision of an administrative regulation; nor shall the Public Service Commission's acceptance of this agreement be construed as a finding of a willful violation of any statute or administrative regulation. This Settlement Agreement shall not be

used for any purpose in any subsequent legal or administrative proceeding (other than a proceeding by the Commission to enforce the terms of this Settlement Agreement), and AEP shall not be precluded or estopped from raising any issue, claim or defense therein by reason of the execution of this Settlement Agreement.

4. This Agreement is subject to the acceptance of and approval by the Public Service Commission. If this settlement is accepted by an Order of the Public Service Commission, the parties agree not to request rehearing or to file an appeal of that Order in the Franklin Circuit Court.

5. Commission Staff shall recommend to the Public Service Commission that this Settlement Agreement be accepted and approved.

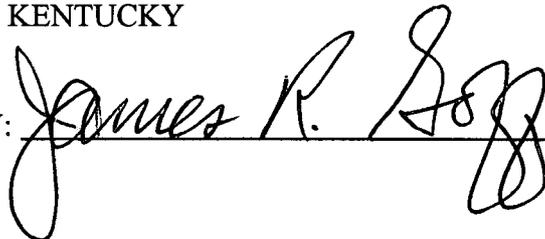
6. If the Public Service Commission fails to accept and approve this Settlement Agreement in its entirety, this proceeding shall go forward and neither the terms of this Settlement Agreement nor any matters raised during settlement negotiations shall be binding on either signatory or be construed against either AEP or Commission Staff.

7. Upon approval of this Settlement Agreement by the Public Service Commission, AEP waives a formal hearing for all purposes and stipulates that an Order may be entered in this case incorporating this settlement.

IN WITNESS WHEREOF, AEP and Commission Staff have executed this Settlement Agreement the day and year first above written by and through their duly authorized representatives or attorneys.

STAFF OF PUBLIC SERVICE COMMISSION
OF KENTUCKY

BY: _____

A handwritten signature in black ink, appearing to read "James R. Long", is written over a horizontal line. The signature is cursive and somewhat stylized.

TITLE: Staff Attorney

KENTUCKY POWER COMPANY, dba
AMERICAN ELECTRIC POWER

BY: Errol K. Wagner

TITLE: Asst. Secretary



Paul E. Patton, Governor
Ronald B. McCloud, Secretary
Public Protection and Regulation
Cabinet
Thomas M. Dorman
Executive Director
Public Service Commission

COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
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POST OFFICE BOX 615
FRANKFORT, KENTUCKY 40602-0615
www.psc.state.ky.us
(502) 564-3940
Fax (502) 564-3460

Martin J. Huelsmann
Chairman
Gary W. Gillis
Vice Chairman
Robert E. Spurlin
Commissioner

November 28, 2001

PARTIES OF RECORD:

Re: Case No. 99-137
American Electric Power

Enclosed please find a memorandum that has been filed in the record of the above-referenced case. Any comments regarding this memorandum's contents should be submitted to the Commission within five days of receipt of this letter. Questions regarding this memorandum should be directed to J.R. Goff at 502/564-3940, Extension 261.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas M. Dorman".

Thomas M. Dorman
Executive Director

JRG/v

Enclosure



INTRA-AGENCY MEMORANDUM

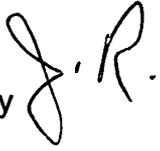
KENTUCKY PUBLIC SERVICE COMMISSION

FILED

NOV 28 2001

PUBLIC SERVICE
COMMISSION

TO: FILE
Case No 1999-137

FROM: J. R. Goff
Staff Attorney 

DATE: November 14, 2001

RE: American Electric Power
Violations of Administrative Regulations

On November 9, 2001, an informal conference was held pursuant to the request of American Electric Power ("AEP") filed with its Response on May 11, 1999 and October 12, 2001.

Present at that meeting where those persons noted on the attached sign-in sheet. After a discussion of the procedure; the analysis of the recent case of Public Service Commission v. Jackson County Rural Electric Cooperative Corporation, Ky.App., 50 S.W.3d 764 (2000), the parties entered into a discussion of a settlement of this case, without the need of a formal hearing.

AEP emphasized to the Staff the efforts that it uses to select its contractors and the provisions it has in place for safety programs. AEP called attention to its extensive safety procedures and programs for contractors. It submitted a Table of Contents page in lieu of the bulky contractor volume. It was AEP's position that it had done everything it could to provide for a safe work place and that the position of Staff seemed to make little provision for the severity of the violation in terms of amount of penalty. Staff stated that a violation of the safety regulations had occurred and that AEP as the contracting utility was subject to PSC jurisdiction for safety violations.

Staff advised AEP that the maximum penalty under KRS 278.990 was \$2,500 per violation, but that PSC Staff would recommend a lesser amount based upon its safety record and proposals of settlement in similar cases of \$1,750 per violation.

AEP indicated that it would consider the settlement proposal and inform Staff if it wished to settle the case or request a formal hearing,

The meeting was adjourned.

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AMERICAN ELECTRIC POWER)
_____)

CASE NO. 99-137

ALLEGED FAILURE TO COMPLY WITH)
ADMINISTRATIVE REGULATIONS)
807 KAR 5:041, SECTION 3(1))

=====
November 9, 2001 Informal Conference
=====

Please sign in:

NAME	REPRESENTING
J. R. Goff	PSC
ELIE RUSSELL	PSC
Judi Willis	AEP
Peggy Appenfelder	AEP
Bruce F. Clark	STIBS (AEP)
Errol K Wagner	AEP
Harry S. Sauer	AEP
Michael V GRANATA	AEP
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

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Managing Conflict

Violation Follow up



Paul E. Patton, Governor
Ronald B. McCloud, Secretary
Public Protection and Regulation
Cabinet

Thomas M. Dorman
Executive Director
Public Service Commission

COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
211 SOWER BOULEVARD
POST OFFICE BOX 615
FRANKFORT, KENTUCKY 40602-0615
www.psc.state.ky.us
(502) 564-3940
Fax (502) 564-3460

Martin J. Huelsmann
Chairman

Gary W. Gillis
Vice Chairman

Robert E. Spurlin
Commissioner

November 20, 2001

Errol K. Wagner
Director Of Regulatory Services
American Electric Power
101A Enterprise Drive
P. O. Box 5190
Frankfort, KY 40602

RE: Case No. 1999-00137

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Bell".

Stephanie Bell
Secretary of the Commission

SB/hv
Enclosure



Paul E. Patton, Governor

Ronald B. McCloud, Secretary
Public Protection and Regulation
Cabinet

Thomas M. Dorman
Executive Director
Public Service Commission

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Martin J. Huelsmann
Chairman

Gary W. Gillis
Vice Chairman

Robert E. Spurlin
Commissioner

November 20, 2001

Honorable Bruce R. Clark
Attorney at Law
Stites & Harbison
421 West Main Street
P. O. Box 634
Frankfort, KY 40602

RE: Case No. 1999-00137

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Bell".

Stephanie Bell
Secretary of the Commission

SB/hv
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AMERICAN ELECTRIC POWER)
_____)

CASE NO. 99-137

ALLEGED FAILURE TO COMPLY WITH)
ADMINISTRATIVE REGULATIONS)
807 KAR 5:041, SECTION 3(1))

O R D E R

On October 19, 2001, the Commission entered an Order in this case directing American Electric Power ("AEP") to appear for a formal hearing on November 30, 2001. Pursuant to that Order, AEP requested an informal conference with Commission Staff and the conference was held on November 9, 2001.

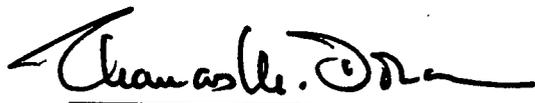
AEP and Commission Staff have entered into negotiations, which are likely to result in a settlement of the issues in the present matter before the Commission. The Commission finds that there is good cause to continue the formal hearing.

The Commission, upon its own motion and being sufficiently advised, HEREBY ORDERS that the formal hearing scheduled in this case for November 30, 2001 shall be continued until further Order of the Commission.

Done at Frankfort, Kentucky, this 20th day of November, 2001.

By the Commission

ATTEST:



Executive Director



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
211 SOWER BOULEVARD
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

October 19, 2001

Errol K. Wagner
Director of Regulatory Affairs
American Electric Power
1701 Central Avenue
P. O. Box 1428
Ashland, KY. 41105 1428

Honorable W. Brian Burnette
Counsel for KY Power dba American
Electric Power
Stites & Harbison
421 West Main Street
P.O. Box 634
Frankfort, KY. 40602 0634

RE: Case No. 1999-137

We enclose one attested copy of the Commission's Order in
the above case.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Bell".

Stephanie Bell
Secretary of the Commission

SB/hv
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AMERICAN ELECTRIC POWER)	
_____)	CASE NO. 99-137
)	
ALLEGED FAILURE TO COMPLY WITH)	
ADMINISTRATIVE REGULATIONS)	
807 KAR 5:041, SECTION 3(1))	

O R D E R

On October 12, 2001, American Electric Power ("AEP") filed a motion to continue the formal hearing set in this case for November 9, 2001. AEP states that it is undertaking an analysis of the recent case of Public Service Commission v. Jackson County Rural Electric Cooperative Corporation, Ky. App., 50 S.W.3d 764 (2000), because it affects the evidence in this case, and that it is reviewing all evidence and testimony in preparation for participation in these proceedings. AEP states that it is also evaluating the issues and preparing a responsive filing. The Commission finds that AEP has presented good cause to continue the formal hearing. The Commission also finds that an informal conference with Commission Staff should assist in the reasonable and expeditious handling of this proceeding.

IT IS HEREBY ORDERED that:

1. The formal hearing set for November 9, 2001 is rescheduled for November 30, 2001 at 9:30 a.m., Eastern Standard Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky for the purposes of

presenting evidence concerning the alleged violations and of showing cause why AEP should not be subject to the penalties prescribed in KRS 278.990(1).

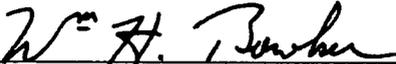
2. An informal conference is scheduled with AEP and Commission Staff on November 9, 2001, at 9:30 a.m., Eastern Standard Time, in Conference Room 1 of the Commission offices at the address shown above.

3. AEP shall bring to the informal conference all documents to support its position and shall be represented by counsel or a corporate officer authorized to enter into any settlement agreement.

Done at Frankfort, Kentucky, this 19th day of October, 2001.

By the Commission

ATTEST:


Deputy Executive Director



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
211 SOWER BOULEVARD
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

September 27, 2001

Errol K. Wagner
Director of Regulatory Affairs
American Electric Power
1701 Central Avenue
P. O. Box 1428
Ashland, KY. 41105 1428

Honorable W. Brian Burnette
Counsel for KY Power dba American
Electric Power
Stites & Harbison
421 West Main Street
P.O. Box 634
Frankfort, KY. 40602 0634

RE: Case No. 1999-137

We enclose one attested copy of the Commission's Order in
the above case.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Bell".

Stephanie Bell
Secretary of the Commission

SB/hv
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AMERICAN ELECTRIC POWER)
_____)

ALLEGED FAILURE TO COMPLY WITH)
ADMINISTRATIVE REGULATION 807 KAR 5:041,)
SECTION 3(1))

) CASE NO. 1999-137

ORDER

On April 21, 1999, the Commission directed that this proceeding be held in abeyance pending the outcome of judicial proceedings on the Commission's authority to assess a penalty against an electric utility for the failure of its contractors to operate and maintain the electric utility's facilities in accordance with Commission regulations. The courts of this Commonwealth having addressed this issue and ascertained the scope and nature of the Commission's authority, Public Service Commission v. Jackson County Rural Electric Cooperative Corporation, Ky.App., 50 S.W.3d 764 (2000), the Commission finds that this proceeding should resume.

IT IS THEREFORE ORDERED that:

1. American Electric Power ("AEP") shall appear before the Commission on November 9, 2001 at 9:00 a.m., Eastern Standard Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, for the purpose of presenting evidence concerning its alleged violations of Commission regulations and of showing cause why it should not be subject to the penalties prescribed in KRS 278.990(1) for its alleged violations.

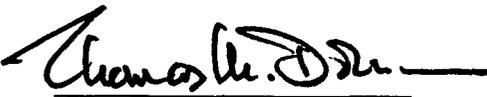
2. AEP shall advise the Commission within 20 days of the date of this Order whether it wishes this matter to stand submitted for decision based upon the existing record or wishes to submit further evidence or argument in an alternative manner in lieu of an evidential hearing.

3. Any motion requesting an informal conference with Commission Staff to consider any matter that would aid in the handling or disposition of this proceeding shall be filed with the Commission no later than 20 days from the date of this Order.

Done at Frankfort, Kentucky, this 27th day of September, 2001.

By the Commission

ATTEST:


Executive Director

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

MAY 10 1999

PUBLIC SERVICE
COMMISSION

In the Matter of:

AMERICAN ELECTRIC POWER)
_____)

ALEGED FAILURE TO COMPLY WITH)
ADMINISTRATIVE REGULATION)
807 KAR 5:041, SECTION 3(1))

CASE NO. 99-137

RESPONSE

Comes Kentucky Power Company, d/b/a American Electric Power ("AEP"), by and through counsel, and responds to the April 21, 1999 Order of the Public Service Commission ("PSC").

STATEMENT OF THE FACTS

Floyd S. Pike Electrical Contractor, Inc. ("Pike") is a North Carolina corporation which engages in the performance of various electrical services as a contractor. Its main office is located at 351 Riverside Drive, Mount Airy, North Carolina 27030. On October 15, 1993, Pike entered into a contract with AEP to perform electrical transmission and distribution work in eastern Kentucky. The contract provided that Pike was an independent contractor and was required to "comply with and enforce all laws, rules, and regulations applicable to safety and health standards" See Exhibit 1.

On July 28, 1998, at approximately 10:00 a.m., a Pike crew consisting of Mark Tomblin, Bill Mitchell, and William Cyfers began to change out an AEP electrical pole in Carter County, Kentucky as part of the reconductoring of a three phase 12 KV circuit.

Tomblin had climbed the old pole to cover the pole's secondaries and attach the crew's grounding cable to the pole's primary neutral conductor. Mitchell was in the aerial lift bucket of the crew's truck with the grounding cable hooked to the bucket's plastic clip. Cyfers remained on the ground next to the truck. While Mitchell was lifting the grounding cable up to Tomblin, the cable touched the A-phase of the 12KV primary and energized the crew's truck. Cyfers made contact with the energized vehicle and was burned. The PSC has issued the Order in this proceeding to show cause why AEP should not be subject to the penalties prescribed in KRS 278.990(1) for alleged violations of 807 KAR 5:041, Section 3 as a result of this accident.

DISCUSSION

Under 807 KAR 5:041, Section 3, the PSC requires each electric utility to maintain its plant and facilities in accordance with the standards of the National Electrical Safety Code ("NESC") (1990 edition). The PSC alleges that AEP violated this regulation when Pike and its electrical crew failed to follow certain NESC guidelines that eventually led to Cyfers' injuries.¹

Initially it is unclear whether the PSC has jurisdiction in this proceeding. As creatures of statute, administrative agencies possess only those powers granted to them by the Legislature. Department v. Stearns Coal and Lumber Co., Ky., 563 S.W.2d 471, 473 (1978). KRS 278.040(2) provides the jurisdictional limits of the PSC:

The jurisdiction of the commission shall extend to all utilities in this state. The commission shall have exclusive jurisdiction over the regulation of rates and service of utilities, but with that exception nothing in this chapter is intended to limit or restrict the police jurisdiction, contract rights or powers of cities or political subdivisions.

¹ At this time, AEP is without sufficient knowledge or information to admit or deny whether Pike or its electrical crew violated these NESC guidelines.

See also Public Serv. Comm'n v. Blue Grass Natural Gas Co., 303 Ky. 310, 197 S.W.2d 765, 768 (1946) (“[T]he jurisdiction of the Public Service Commission is clearly and unmistakably limited to the regulation of rates and service of utilities”). The statute provides nothing about the PSC having jurisdiction over issues of safety.

Yet, even if the PSC has jurisdiction in this proceeding, it cannot hold AEP responsible for Cyfers’ injuries because AEP owes no duty to the employees of its independent contractors. The General Assembly has never created such a duty, and the Supreme Court of Kentucky has rejected any attempt to create such a duty under the common law.

In King v. Shelby Rural Elec. Coop. Corp., Ky., 502 S.W.2d 659 (1973), an employee of an independent contractor was severely burned while working on an electrical transmission line. The independent contractor’s negligence in failing to provide the employee with adequate training and suitable safety equipment was the cause of the injury. Id. at 660. Nevertheless, the injured employee not only brought an action against the independent contractor, but also against the utility that had hired the contractor. Id. The basis of the claim against the utility was that transmission line work was so dangerous that it fell within the inherently dangerous activity exception to the general rule that an employer is not responsible for the negligence of an independent contractor. Id. The court, however, held that the employees of an independent contractor did not fall within the protected class of the inherently dangerous activity exception. Id. at 662. Consequently, the utility owed no duty to the injured employee.

By attempting to hold AEP responsible for the injury to Cyfers, the PSC is attempting to impose a duty on AEP that has no foundation under the law. To impose

such a duty would be unconstitutional because administrative agencies have no authority to impose duties that have not been recognized by the Legislature or the courts. Henry v. Parrish, 307 Ky. 559, 211 S.W.2d 418, 421 (1948).

The Franklin Circuit Court has come to the same conclusion. In Jackson County Rural Elec. Coop. v. Public Serv. Comm'n, Civil Action No. 96-CI-01130 (Franklin Circuit Court, Division II, Aug. 24, 1998), three utilities appealed a PSC order assessing civil penalties against them under 807 KAR 5:041, Section 3 for injuries to the employees of their independent contractors. The independent contractors allegedly had caused the injuries by failing to follow NESC guidelines. Id. at *1-2. The court held that imposing a penalty on utilities for injuries to the employees of their independent contractors was unconstitutional because the PSC had “no authority to impose a new duty on utilities when that duty has no foundation in law.” Id. at *4-5.

CONCLUSION

The Franklin Circuit Court's decision in Jackson County Rural Elec. Coop. v. Public Serv. Comm'n is currently on appeal. Because the appeal addresses issues very similar to those presented in this case, AEP hereby requests that the PSC hold this matter in abeyance until the conclusion of the appeal. When the appeal has concluded, AEP requests an informal conference with the PSC staff to consider the effect of the appeal on this proceeding and to consider any other matters that would expedite the handling or disposition of this proceeding.

Respectfully submitted,



Bruce F. Clark

W. Brian Burnette

STITES & HARBISON

421 West Main Street

P.O. Box 634

Frankfort, Kentucky 40602-0634

Telephone: (502) 223-3477

COUNSEL FOR RESPONDENT

15.0 INDUSTRIAL SAFETY AND SECURITY

- 15.1 Contractor shall perform the Work in a safe and careful manner. Contractor shall furnish and require its employees to use such safety devices and methods as are necessary to protect its employees, its subcontractor's employees, the employees of other contractors, Owner's employees and the public from bodily injury and property damage.
- 15.2 Contractor shall comply with and enforce all laws, rules and regulations applicable to safety and health standards, including, but not limited to, the Occupational Safety and Health Act of 1970 (O.S.H.A.) and any revisions of O.S.H.A. or successor legislation.
- 15.3 Contractor shall comply with all project, safety and security rules issued by Owner, provided that such rules do not conflict with the requirements of Section 15.2.
- 15.4 Contractor shall participate in and cooperate with any Owner-sponsored labor-management safety committees to enforce safety regulations and eliminate potential safety hazards.
- 15.5 Contractor shall have a written safety program and shall distribute copies to each of its employees and to Owner. Contractor shall assign a qualified person at the Site to coordinate its safety program. Contractor shall conduct and document safety meetings to instruct its employees in the recognition and avoidance of safety or work hazards. A copy of the minutes of such safety meetings shall be submitted to Owner.
- 15.6 Contractor shall be responsible for employee compliance with project, safety, health and security rules. Contractor shall conduct frequent inspections to ensure that its employees comply with such rules. Owner may accompany Contractor on its inspections. Contractor shall establish and enforce a program to discipline its employees for willful or repeated violations of such rules, which disciplinary program shall be included in Contractor's safety program, as required in Section 15.5.
- 15.7 Contractor shall, at its expense, provide labor, materials, construction equipment, facilities and everything else necessary to comply with the methods and procedures, including those recommended at any time by Owner, to protect and safeguard the employees of

EXHIBIT

1



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

April 21, 1999

Errol K. Wagner
Director of Regulatory Affairs
American Electric Power
1701 Central Avenue
P. O. Box 1428
Ashland, KY. 41105 1428

RE: Case No. 99-137

We enclose one attested copy of the Commission's Order in
the above case.

Sincerely,

Stephanie Bell
Secretary of the Commission

SB/hv
Enclosure
Certified Mail

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. Addressee's Address
- 2. Restricted Delivery

Consult postmaster for fee.

3. Article Addressed-to:

ERROL K WAGNER

4a. Article Number

2 319 087 338

4b. Service Type

- Registered Certified
- Express Mail Insured
- Return Receipt for Merchandise COD

7. Date of Delivery

4-22-99

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

Errol Wagner

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

102595-98-B-0229

Domestic Return Receipt

HO 99-137

Thank you for using Return Receipt Service.

Z 319 087 338

US Postal Service
 Receipt for Certified Mail
 No Insurance Coverage Provided
 Do not use for International Mail (See reverse)

Send to	ERROL WAGNER
Street & Number	P.O. BOX 1478
Post Office, State, & ZIP Code	AS. Ind KY 41105
Postage	\$ 12.00
Certified Fee	1.40
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1-25
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.86
Postmark or Date	APR 21 1999

PS Form 3800, April 1995

HO 99-137

APR 7 1999

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AMERICAN ELECTRIC POWER)
_____)
ALLEGED FAILURE TO COMPLY WITH)
ADMINISTRATIVE REGULATION)
807 KAR 5:041, SECTION 3 (1))
CASE NO. 99-137

O R D E R

American Electric Power ("AEP") is an investor owned electric utility which engages in the distribution of electricity to the public for compensation for lights, heat, power, and other uses, and is subject to Commission jurisdiction pursuant to KRS 278.010(3)(a).

KRS 278.280(2) directs the Commission to prescribe rules and regulations for the performance of services by utilities. Pursuant to this statutory directive, the Commission promulgated Administrative Regulation 807 KAR 5:041, Section 3, which requires electric utilities to maintain their plant and facilities in accordance with the standards of the National Electrical Safety Code (1990 edition) ("NESC").

Commission Staff has submitted to the Commission a Utility Accident Investigation Report dated November 9, 1998, appended hereto, in which Commission Staff alleges:

1. On July 28, 1998, William D. Cyfers was injured while changing a utility pole at Soldier, Carter County, Kentucky.

2. At the time of the incident a crew consisting of Mark Tomblin, Bill Mitchell and William D. Cyfers was in the process of changing out a pole as part of a job of reconductoring a three phase 12 KV circuit. Each phase was energized and carried a voltage of 7200 volts. As Mitchell, in the aerial lift bucket raised the bucket to Toblin, the grounding cable made contact with the A-phase of the 12 KV primary, which energized the vehicle below. William Cyfers made contact with the energized vehicle and was burned. William Cyfers was not wearing rubber overshoes at the time of the accident.

3. At the time of the incident, no protective covering was being used.

4. NESC Rule 441.A1 prohibits an employee from approaching or taking any conductive object without suitable insulating handle within certain distances of an exposed ungrounded part normally energized unless the line or part is de-energized, or the person is insulated from the energized line or part, or the energized line or part is insulated from the employee, or the person is insulated from all conducting surfaces other than the one upon which the person is working.

5. NESC Rule 420.H requires that employees shall use the personal protective equipment, protective devices, and the special tools provided for their work.

6. William Mitchell failed to comply with NESC Rule 441.A1.

7. William D. Cyfers failed to comply with NESC Rule 420.H.

8. Mark Tomblin failed to see that all safety and operating procedures were observed by those under his direction. His failure is a violation of NESC Rule 421.A, which

requires a person in charge to adopt such precautions as are within his authority to prevent accidents and to see that the all safety rules and operating procedures are observed by those under his direction.

Based on its review of the Utility Accident Investigation Report and being otherwise sufficiently advised, the Commission finds that prima facie evidence exists that AEP has failed to comply with Administrative Regulation 807 KAR 5:041, Section 3.

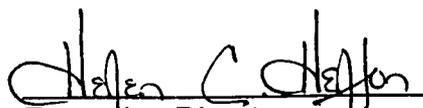
The Commission, on its own motion, HEREBY ORDERS that:

1. AEP shall appear before the Commission, at a date and time to be set, for the purpose of presenting evidence concerning the alleged violations of Administrative Regulation 807 KAR 5:041, Section 3, and of showing cause why it should not be subject to the penalties prescribed in KRS 278.990(1) for these alleged violations.
2. AEP shall submit to the Commission within 20 days of the date of this Order a written response to the allegations contained in the Utility Accident Investigation Report.
3. The Utility Accident Investigation Report of November 9, 1998, a copy of which is appended hereto, is made part of the record of this proceeding.
4. Any motion requesting any informal conference with Commission Staff to consider any matter, which would aid in the handling or disposition of this proceeding, shall be filed with the Commission no later than 20 days from the date of this Order.
5. AEP and Commission Staff shall be permitted to take the deposition of any person for the purpose of perpetuating the person's testimony.

Done at Frankfort, Kentucky, this 21st day of April, 1999.

By the Commission

ATTEST:


Executive Director

APPENDIX A

AN APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 99-137 DATED 4/21/99

November 9, 1998

**UTILITY ACCIDENT
INVESTIGATION REPORT**

Utility:	American Electric Power				
Reported By:	Carlene Jarvis				
Dates & Times					
Accident Occurred:	07/28/98 – 10:00 a.m.				
Utility Notified:	07/28/98 – 10:00 a.m.				
PSC Notified:	07/28/98 - 11:00 a.m.				
Investigated:	07/30/98				
Written Report Rcvd:	07/31/98				
Location of Accident:	State Route 174, Soldier, Carter County, Kentucky				
Description of Accident:	<p>A Pike Electrical contracting crew, consisting of Mr. Mark Toblin, Bill Mitchell, and William Cyfers, was in the process of changing out a pole and reconductoring a 3-phase 12 KV circuit. The work was being done for American Electric Power.</p> <p>Mark Toblin ascended the old pole to cover the secondaries and to attach the vehicle grounding cable to the primary neutral conductor.</p> <p>Bill Mitchell was in the aerial lift bucket truck with the grounding cable hooked to a plastic clip on the bucket. In the process of lifting the grounding cable up to Mark Toblin, the cable made contact with the A-phase of the 12 KV primary and energized the vehicle below. William Cyfers made contact with the energized vehicle and was burned.</p>				
Victims:					
Name:	William D. Cyfers	Fatal:	No	Age:	44
Addr./Empl.:	Floyd S. Pike Electrical Contractor, Inc., Mt. Airy North Carolina				
Injuries:	Burns to fingers of his left hand and burns to the toes of his left foot				
Witnesses:	Name	Address/Employment			
	No actual witnesses				

November 9, 1998

Sources of Information:	Name		Address/Employment		
	Mr. Ronald L. Canfield		American Electric Power		
	Mr. Dale Hughes		American Electric Power		
Mr. Lee Griffith		American Electric Power			
Probable Violations:	There is a probable violation of 807 KAR 5:041, Electric, Section 3(1) and NESC, Section 42, Subsection, 420.H., 421.A. and 441.A(1).				
Line Clearances At Point of Accident:	Measured	Minimum Allowed by NESC	Applicable NESC Edition ¹ 1990-	3-Phase Volt.	Constr. Date
A Phase (Field):	28' - 5"	18' - 6"	Table 232-1	12KV	6/1948
B Phase (Middle):	28' - 6"	18' - 6"	Table 232-1	12KV	Recond. 1975
C Phase (Road):	30' - 0"	18' - 6"	Table 232-1	12KV	
Primary Neutral:	24' - 0"	15' - 5"	Table 232-1	N/A	
Open Wire Secondary:	22' - 10"	16' - 6"	Table 232-1	120V	
Open Wire Secondary:	20' - 8½"	16' - 6"	Table 232-1	120V	
*Cable TV:	15' - 9"	15' - 6"	Table 232-1	N/A	
*Telephone:	13' - 1"	15' - 6"	Table 232-1	N/A	
Date of Measurement:	07/30/98 (Rain)				
Approximate Temp.:	86°F at time of accident				
Measurements Made By:	Mr. Ronald L. Canfield and Mr. Dale Hughes, American Electric Power and Mr. Robert Ueltschi, PSC				
Investigated By:	Robert Ueltschi				
Signed:	<i>R. Ueltschi by Blake M. [Signature]</i>				

*Note: The Cable TV low clearances were corrected by setting a new pole. They had no bearing on the accident.

- Attachments A. American Electric Power's Accident Report
 B. Photographs of Accident Site

¹ Current edition adopted by the Commission. If clearances are not in compliance with the current edition, then the edition in effect when the facilities were last constructed or modified would apply.

Attachment A

American Electric Power's Accident Report

07/31/98 FRI 14:44 FAX 6063271335
American Electric Power
Kentucky Region
1701 Central Avenue
P.O. Box 1428
Ashland, KY 41105-1428

AEP CANNONSBURG

001



TO: ROBERT UELTSCHI

FROM: DALE HUGHES

TOTAL # OF PAGES, INCLUDING THIS COVER SHEET: 13

IF YOU EXPERIENCE A PROBLEM RECEIVING THIS FAX, PLEASE

CALL DALE HUGHES ON EXT. 606-327 1407

OUR FAX # IS 606-327-1335 (or audinet 600-1335)

FINAL REPORT

Accident Investigation 7/28/98

- 1. Utility Accident Investigation Forms.**
- 2. AEP. Accident Investigation.**
- 3. Pike Electric Accident Investigation**
- 3. Copy AEP. Fusing Map Of Area.**
- 4. Copy AEP. Distribution Map Of Area.**
- 4. Pole Inspection Record.**
- 5. Accident Site Pictures (With Description Written On Back).**

UTILITY ACCIDENT INVESTIGATION REPORT

Utility:	American Electric Power			
Reported By:	Dale Hughes, Operation Specialist			
Dates & Times				
Accident Occurred:	July 28, 1998	10:00 a.m.		
Utility Notified:	July 28, 1998 - 10:10 a.m.	911 to Phone Center		
PSC Notified:	July 28, 1998 - 11:03 a.m.	Martha Morton		
Investigated:	Accident Investigation Team Dale Hughes, Lee Griffith, Larry Gray, Ron Canfield			
Written Report Rcvd:				
Location of Accident:	State Rt. 174 Soldier, Kentucky - Carter Co., Kentucky			
Description of Accident:	See Attached Description			
Victims:				
Name:	William D. Cyfers	Fatal:	No	Age: 44
Addr./Empl.:	Floyd S. Pike Electrical Contractor, Inc. Mount Airy, NC			
Injuries:	Burns to fingers and toes			

**A.E.P. INVESTIGATION TEAM
DISCRIPTION OF ACCIDENT:**

7/28/98

At approximately 10:00 a.m., a Pike Electrical contractor crew was in the process of replacing a 35-6 pole #269-253 with a 40 class 4 pole as part of a new reconductoring job on the Hayward/Halderman 3-phase 12 kV circuit at Soldier, Kentucky in Carter County.

Vehicles and materials were positioned at the job location. A- lineman (Bill Mitchell) moved A and B Phases off old cross arm to an auxiliary fiberglass arm attached to the old cross arm to allow clearance for new pole 40 class 4 pole to be set. Line hose were placed on A and B phases (Hayward side of auxiliary arm insulators). After setting pole material was made up to frame the new pole. Mark Tomblin (A- lineman) climbed old pole to cover up 2-120 v .# 4 open wire secondary conductors and to be in a position to attach vehicle grounding cable (1/0 stranded copper) to the primary neutral conductor (#2 alum. alloy). Bill Mitchell in the aerial lift vehicle #8G62 brought up the vehicle ground cable hooked onto plastic equipment hook on side of bucket and two line hose for Tomblin to coverup the conductors and ground aerial lift at the primary neutral. Mitchell handed Tomblin the hose and Tomblin started covering the secondary conductors below the primary neutral. Mitchell then moved the boom of aerial lift to install cross arm on new pole forgetting to hand Tomblin the vehicle ground. Mitchell boomed over A and B phases and vehicle grounding cable (still hooked on bucket) contacted A phase approximately 6 inches from insulator on auxiliary arm on Morehead side of pole # 269 - 253.

While grounding cable was in contact with the energized primary, William Cyfers was getting material out of side bin of aerial lift vehicle and electrical contact was made with the side bin door with his fingers of the left hand.

Tomblin heard an arc and saw Cyfers lying on the ground near the drivers side of aerial lift vehicle.

Tomblin and Mitchell came down to assist Cyfers who was conscious and talking.

Tomblin and Mitchell stated Cyfers had burns to his fingers and toes on left foot and hand.

An ambulance was called by one of the crew members at a near by house and the injured employee was transported to St. Claire Medical Center in Morehead, Kentucky. He was later transported to University of Kentucky Medical Center in Lexington, Kentucky for further observation.

Statements:

Bill Mitchell---I forgot that I had not handed the ground to him.

Mark Tomblin --- Cyfers was not wearing rubber overshoes at time of accident.

ELECTRICAL CONTACT INVESTIGATION

TIME & PLACE: 10:15 AM, July 28, 1998
Hwy. 174 Soldier, KY

INJURED: William Cyfers

INJURIES: Burns to left hand and two toes on the left foot

PERSON IN CHARGE: Mark Tomblin

VOLTAGE: 7200 KV

WEATHER: Clear, 85 degrees

CONDITIONS PRIOR TO THE ACCIDENT: The crew was reconductoring a 1/0 three phase line. The A-lineman (William Mitchell) allied out the field and middle phase line on a fiberglass arm. He placed one line hose on each of the primary phases that were on the side of the new pole. The road phase was left in its original position. The crew then proceeded to set a 40 class 4 wooden pole. After the pole was set, William Mitchell began making up material and loading in the bucket to start framing the new pole. William Cyfers handed William the hand line, truck ground, and eight-foot crossarm.

THE ACCIDENT: Mark Tomblin (A-lineman) started climbing the new pole and William Mitchell started up in the bucket. William handed Mark two line hoses to start covering the open wire secondary. William's intent was to hand Mark the truck ground along with the line hoses and let him ground the truck to the main line neutral above the open wire secondary. Instead William boomed away from the pole and started across the two allied out phases to hang the hand line and the eight-foot crossarm. This is when the truck ground made contact with the field phase. William had failed to remove the ground hanging from the fiberglass bucket hook holding the tool pouch. Mark heard the ground cable contact the energized conductor twice. As William was booming away from the pole, Mark turned and saw William Cyfers lying on the ground. When William and Mark got to Cyfers he was looking around and talking. He said his left hand and foot were hurting and his chest also hurt. He asked for someone to call an ambulance. Mark went to a nearby house and asked them to call 911.

LOCATION OF EMPLOYEES AT THE TIME OF THE ACCIDENT: Mark was preparing to cover the open wire secondary. William Mitchell was in the bucket getting ready to put the crossarm on the new pole. William Cyfers was looking in one of the sidebins of the truck for a fuse.

AFTER THE ACCIDENT: The ambulance arrived approximately ten minutes after the accident. They took William to St. Clare Hospital in Morehead, Kentucky and subsequently transferred him to the University of Kentucky in Lexington for observation.

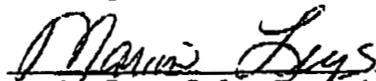
COMMENTS: These were the contributing factors that lead to the accident:
The primary phases were not covered properly. Only one side of the pole's primary conductors were covered with line hoses. William did not have his overshoes on while the truck was working near energized lines or equipment. Never lay the truck ground on bucket hooks. If the ground is in the lineman's hand or shotgun stick he would be less likely to forget to attach it to the neutral.

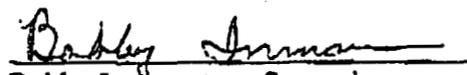
DISCIPLINARY ACTION: Pike safety rules violated:

William Mitchell 106 A(1) When work is to be done on or near energized lines or equipment, all energized and grounded conductors or guy wires within reach of any part of the body shall be covered with rubber protective equipment, except that part of the conductor to be worked on.

William Cyfers 405 H(2) Line workers shall wear approved, rubber overshoes or rubber boots when working in the vicinity of any energized lines or equipment, or when any conductor being worked on could contact the worker if it should fall. It is extremely important that employees working on the ground as well as in the air wear overshoes for protection from both direct and indirect accidental contacts.

Mark Tomblin 105 B Responsibilities of foreman or other employee in charge shall correct any employe observed in violation of any of the Company's safety rules or policies.


Marion Leys, Safety Supervisor


Bobby Inman, Area Supervisor

OUR AIM IS QUALITY WORK AND SAFE WORK. WE BELIEVE THAT THE TWO GO TOGETHER AND THAT NO JOB IS SO URGENT THAT AN EMPLOYEE CANNOT TAKE THE TIME TO PERFORM IT SAFELY.

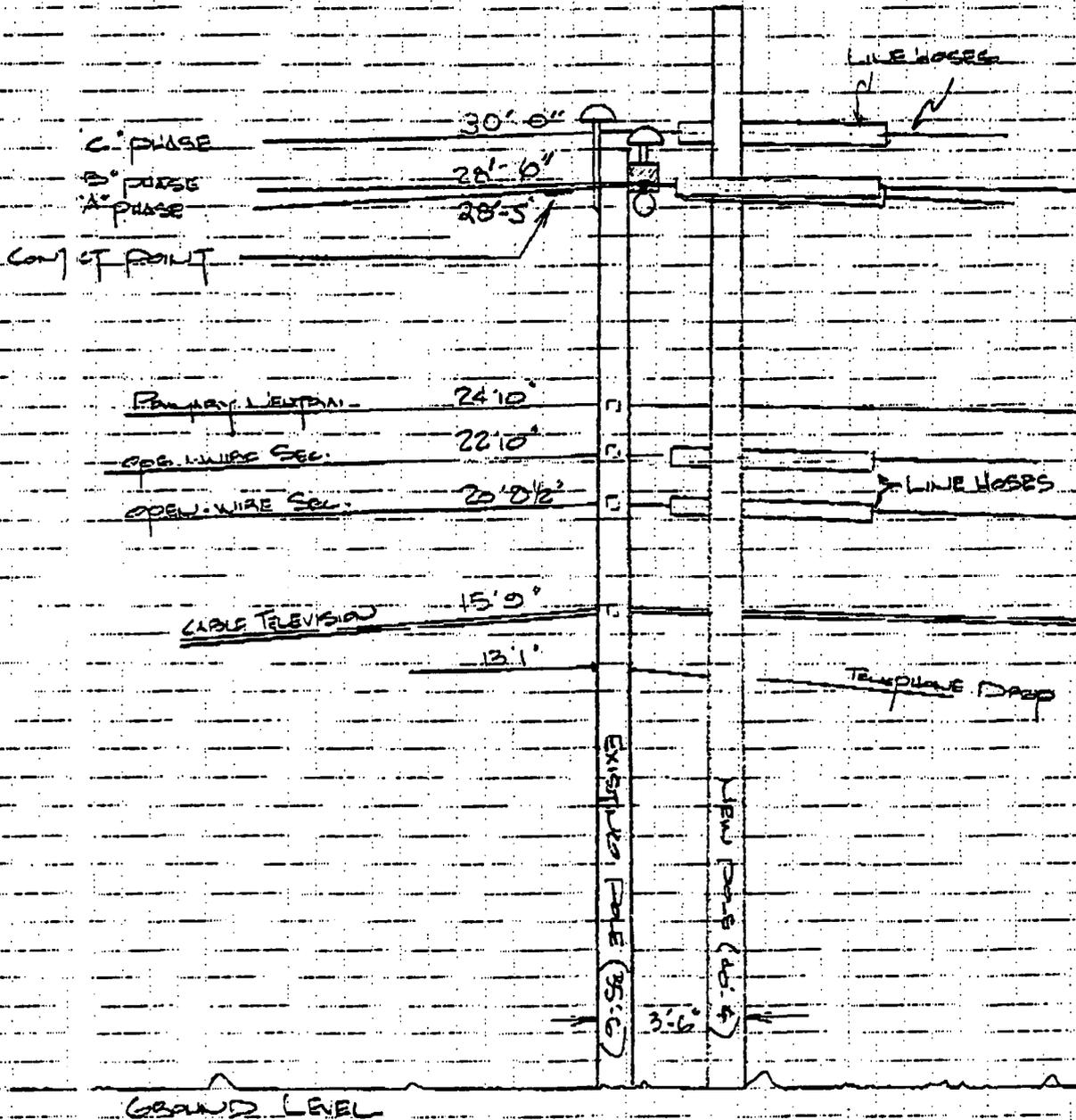
ACCIDENT INVESTIGATION DIAGRAM

(NOT TO SCALE)

ROUTE 174. SADDLER 7:30:30

SPAN Length
260'

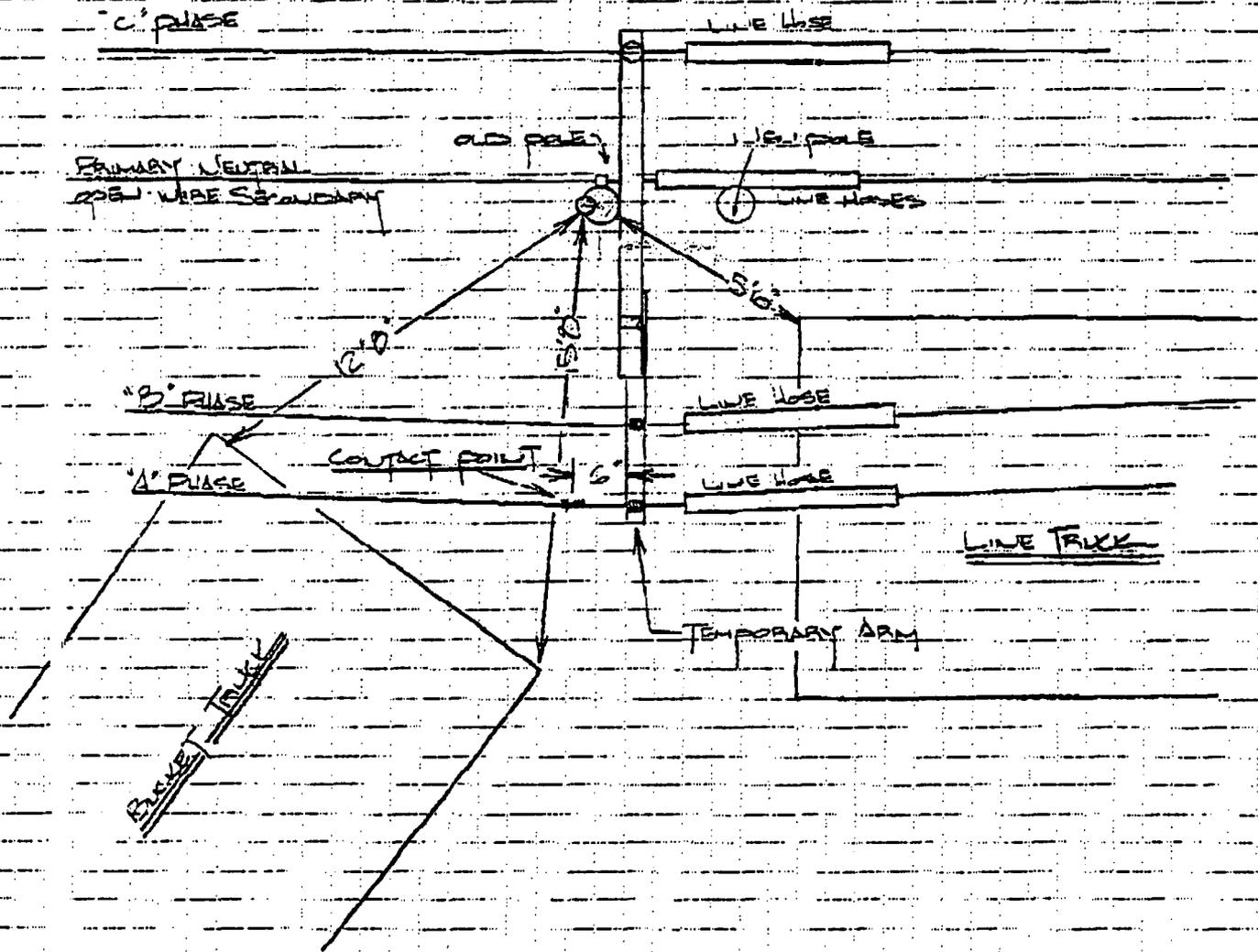
SPAN Length
320'

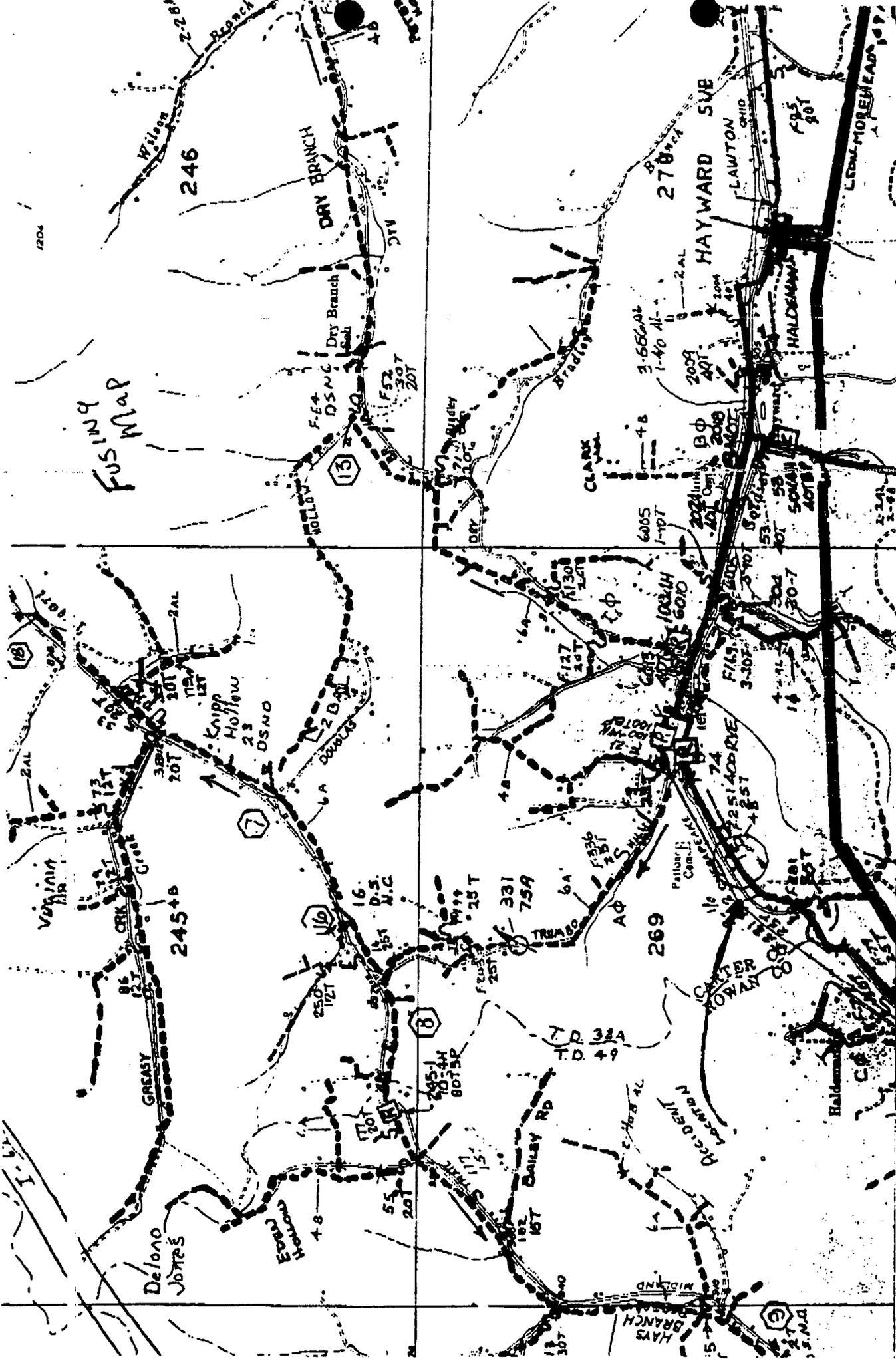


ACCIDENT INVESTIGATION - DIAGRAM 2

(NOT TO SCALE)

Page 174 - SOLDIER 7:30 JD





NO.	DATE	BY	REVISIONS
1	7-22-71	13	10-16-77-17
2	1-22-72	13	4-28-72-18
3	1-22-72	13	12-17-72-13
4	1-22-72	13	1-22-72-13
5	1-22-72	13	1-22-72-13
6	1-22-72	13	1-22-72-13
7	1-22-72	13	1-22-72-13
8	1-22-72	13	1-22-72-13
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22	1-22-72	13	1-22-72-13
23	1-22-72	13	1-22-72-13
24	1-22-72	13	1-22-72-13
25	1-22-72	13	1-22-72-13
26	1-22-72	13	1-22-72-13
27	1-22-72	13	1-22-72-13
28	1-22-72	13	1-22-72-13
29	1-22-72	13	1-22-72-13
30	1-22-72	13	1-22-72-13

4-10 Hayward HALDENMAN 3PC080100

E-1 Hayward LAWTON ISSUE NO. 30 200802/00

Attachment B
Photographs of Accident Site

